AMENDED IN ASSEMBLY MAY 6, 2009

CALIFORNIA LEGISLATURE—2009-10 REGULAR SESSION

ASSEMBLY BILL

No. 761

Introduced by Assembly Member Charles Calderon

February 26, 2009

An act to add Section 798.47 to the Civil Code, relating to mobilehomes.

LEGISLATIVE COUNSEL'S DIGEST

AB 761, as amended, Charles Calderon. Mobilehomes: rent control. The mobilehome residency law generally regulates the terms and conditions of mobilehome tenancies in mobilehome parks. *Existing law permits rent control in mobilehome parks*. Existing law exempts certain rental agreements relating to mobilehomes from any local measure establishing the maximum amount that a landlord may charge a tenant for rent.

This bill would provide, in addition, that upon the sale, assignment, transfer, or termination of an interest in a mobilehome or a mobilehome tenancy in a mobilehome park, the management of the park may offer a new rental agreement containing an initial rent in excess of the maximum rent established by a local measure, except as specified by specified percentages, which would increase over the next 5 years up to 100% of the last-charged rent. The bill would except certain mobilehome parks from its provisions, including those that have common facilities that have been cited as health and safety risks that remain unabated for 6 months or longer. The bill would provide that, after execution of the new rental agreement, an increase in initial rent, the rent should be governed by the local measure shall govern the agreement in all applicable respects. The bill would specify that it does not apply

 $AB 761 \qquad \qquad -2 -$

to rental rate adjustments provided under a local rent control ordinance that are in excess of what the bill's provisions would permit.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 798.47 is added to the Civil Code, to 2 read:

798.47. (a) Notwithstanding any contrary provision of law, upon the sale, assignment, transfer, or termination of an interest in a mobilehome or a mobilehome tenancy in a mobilehome park, the management of the park may offer a new rental agreement containing an initial rent in excess of the maximum rent established by an ordinance, rule, regulation, or initiative measure adopted by a city, county, or city and county. After execution of the new rental agreement, the local ordinance, rule, regulation, or initiative measure shall govern the agreement in all applicable respects. county as specified in subdivision (c).

- (b) This section shall not apply to either of the following:
- (1) A change in ownership or tenancy due to the death of a mobilehome owner or tenant when the spouse of the deceased homeowner or tenant becomes the sole owner or tenant.
- (2) An assignment of any existing lease that specifies the amount of rent applicable to the assignee upon a transfer of the interest in the mobilehome.
- (3) A park that contains common facilities or improvements that constitute an unreasonable risk to life, health, or safety for which a citation has been issued by the appropriate governmental agency that remains unabated for six months or longer preceding the vacancy.
- (c) Notwithstanding any other provision of law, a mobilehome park owner may establish the initial rental rates for a mobilehome tenancy as follows:
- (1) Beginning January 1, 2010, the initial rental rate may be increased by up to 20 percent of the last-charged rent.
- (2) Beginning January 1, 2011, the initial rental rate may be increased by up to 40 percent of the last-charged rent.
- (3) Beginning January 1, 2012, the initial rental rate may be increased by up to 60 percent of the last-charged rent.

-3- AB 761

(4) Beginning January 1, 2013, the initial rental rate may be increased by up to 80 percent of the last-charged rent.

1 2

- (5) Beginning January 1, 2014, the initial rental rate may be increased by up to 100 percent of the last-charged rent.
- (d) After an increase in the initial rental rate as permitted in subdivision (c), rent shall be subject to any ordinance, rule, regulation, or initiative measure adopted by any local governmental entity which establishes a maximum amount that a landlord may charge a tenant for rent for the term of that tenancy.
- (e) This section does not apply to rental rate adjustments greater than those provided in subdivision (c) if authorized pursuant to any ordinance, rule, regulation, or initiative measure adopted by any local governmental entity that establishes a maximum amount that a landlord may charge a tenant for rent or other law.